

January 18, 2011

EMAIL and HAND DELIVERY

Alex Gurza, Director CITY OF SAN JOSE Office of Employee Relations 200 East Santa Clara Street San Jose, CA 95113

Re: AFSCME CEO and MEF negotiations with the City of San Jose

Dear Alex,

In response to your request and pursuant to the Agreement on Wage Freeze executed by the City of San Jose and AFSCME CEO and MEF on June 17, 2009, please be advised that we are available to commence meeting and conferring with you and "all other interested represented bargaining units" regarding retiree health care benefits and medical reimbursment program for future retirees on January 19, 2011. We will require conference call capabilities during the meeting for our Business Agent, who is unable to personally attend on this date. We look forward to hearing from you regarding the time and location.

As stated in our previous correspondence dated January 5, 2011, pursuant to the AFSCME Constitution and the CEO and MEF by-laws, we met with the respective Executive Boards and general membership to discuss early negotiations for new contracts and participation in coalition bargaining. At those meetings, both CEO and MEF members agreed to negotiate together in an AFSCME coalition structure regarding salary/wages and benefits, including "retirement reform"; as well as contract terms and conditions which are mutually applicable, shared or similar and/or there is a mutual interest.

In light of this decision, representatives of CEO and MEF are available to meet with you to discuss and finalize the coalition bargaining structure and ground rules. Please provide some dates after February 1, 2011 that you are available, so we can verify schedules and availability of our respective bargaining teams.

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We look forward to hearing from you regarding the coalition bargaining for retiree health care benefits and medical reimbursement program and new contract terms and conditions. Should you have any questions or concerns, please do not hesitate to contact us.

Sincerely,

/S/

LaVerne S. Washington, President AFSCME Confidential Employees' Organization /S/

Yolanda D. Cruz, President AFSCME Municipal Employees' Federation